

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

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W-02494A
Ash Creek Water Company
P.O. Box 825
Thatcher, AZ 85552

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
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RECEIVED

APR 18 2005

AZ Corporation Commission
Director Of Utilities

FOR COMMISSION USE

ANN04	04
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COMPANY INFORMATION

Company Name (Business Name) Ash Creek Water Company

Mailing Address P.O. Box 825
(Street)

Thatcher Arizona 85552
(City) (State) (Zip)

(928) 428-5420 (928) 428-3358 (928) 965-2934
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address bbarney@aznex.net

Local Office Mailing Address Same as above
(Street)

(928) 428-3357 (928) 428-3358 (928) 965-2934
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address bbarney@aznex.net

MANAGEMENT INFORMATION

Management Contact: Bevan Barney Interim Manager
(Name) (Title)

P.O. BOX 825 THATCHER Arizona 85552
(Street) (City) (State) (Zip)

(928) 428-5420 (928) 428-3358 (928) 965-2934
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address bbarney@aznex.net

On Site Manager: Bevan Barney
(Name)

P.O. BOX 825 THATCHER AZ 85552
(Street) (City) (State) (Zip)

(928) 428-5420 (928) 428-3357 (928) 965-2934
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address bbarney@aznex.net

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☒ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☒ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME ASH CREEK WATER COMPANY

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	650.00		650.00
302	Franchises			
303	Land and Land Rights	1,000.00		1,000.00
304	Structures and Improvements	443.00	354.15	88.85
307	Wells and Springs	6,520.00		6,520.00
311	Pumping Equipment	8,026.56	6,168.33	1858.23
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	1,443.00	789.15	2,232.15
331	Transmission and Distribution Mains	64,017.00	43,388.85	20,628.15
333	Services			
334	Meters and Meter Installations	14,439.00	8,097.95	6,341.05
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	2,000.00	1,150.00	850.00
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	1,700.00	840.00	860.00
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	100,238.56	60,788.43	41,028.43

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME **ASH CREEK WATER COMPANY**

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	650.00		
302	Franchises			
303	Land and Land Rights	1,000.00		
304	Structures and Improvements	443.00	5	22.15
307	Wells and Springs	6,520.00		
311	Pumping Equipment	8,026.56	5	401.33
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	1,443.00	5	72.15
331	Transmission and Distribution Mains	64,017.00	5	3200.85
333	Services			
334	Meters and Meter Installations	14,439.00	5	721.95
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	2,000.00	5	100.00
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	1,700.00	5	85.00
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	100,238.56		4,603.43

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME	ASH CREEK WATER COMPANY
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BALANCE SHEET

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	3,739.85	\$ 8133.50
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	1,500.00	7,533.14
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	963.78	3,508.50
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 6,203.63	\$ 19,175.14
	FIXED ASSETS		
101	Utility Plant in Service	\$ 98,282.00	\$ 100,238.56
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	56,175.00	(60,788.43)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 42,107.00	\$ 39,450.13
	TOTAL ASSETS	\$ 48,310.63	\$ 58,625.27

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

ASH CREEK WATER COMPANY

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 4,316.00	\$ 4,370.00
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	300.00	1,600.00
236	Accrued Taxes		1,038.53
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 4,616.00	\$ 7,008.53
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 9,475.00	\$ 9,475.00
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	825.00	825.00
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 825.00	\$ 825.00
	TOTAL LIABILITIES	\$ 14,916.00	\$ 17,308.53
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		41,316.74
	TOTAL CAPITAL	\$	\$
	TOTAL LIABILITIES AND CAPITAL	\$ 14,916.00	\$ 58,625.27

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 29,120.16	\$36,296.24
460	Unmetered Water Revenue		
474	Other Water Revenues		30.00
	TOTAL REVENUES	\$ 29,120.16	\$36,326.24
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 6,143.11	\$9,628.38
610	Purchased Water		
615	Purchased Power	1,970.45	1,977.28
618	Chemicals		
620	Repairs and Maintenance	4,473.45	822.88
621	Office Supplies and Expense	1,604.85	384.10
630	Outside Services	5,820.50	1,742.25
635	Water Testing	3,042.32	2,686.62
641	Rents	1,469.71	
650	Transportation Expenses	59.00	2,927.85
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		1,304.89
403	Depreciation Expense	4,504.00	4,603.43
408	Taxes Other Than Income		
408.11	Property Taxes		2,241.24
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 29,087.39	\$28318.92
	OPERATING INCOME/(LOSS)	\$ 32.77	\$8,007.32
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 22.59	\$2.39
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	133.77	100.06
	TOTAL OTHER INCOME/(EXPENSE)	\$ 111.00	\$(97.67)
	NET INCOME/(LOSS)	\$ (78.41)	\$7,909.65

COMPANY NAME	ASH CREEK WATER COMPANY
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SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	MARCH/1989			
Source of Loan	Vera Smith Back Wages			
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 9,475.00	\$	\$	\$
Amount Outstanding	\$ 9,475.00	\$	\$	\$
Date of Maturity	N/A			
Interest Rate	% 0	%	%	%
Current Year Interest	\$ 0	\$	\$	\$
Current Year Principle	\$ 9,475.00	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ 1,600.00
Meter Deposits Refunded During the Test Year	\$ 0.00

COMPANY NAME **ASH CREEK WATER COMPANY**

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
621788	1	21	191	6	2	
621786	3	35		6	2	

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity

COMPANY NAME

ASH CREEK WATER COMPANY

WATER COMPANY PLANT DESCRIPTION (CONTINUED)**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4	<u>PVC</u>	<u>5 MILES</u>
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	111
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

COMPANY NAME: **ASH CREEK WATER COMPANY**

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	70	415,130	
FEBRUARY	71	744,230	
MARCH	71	500,730	
APRIL	72	563,120	
MAY	73	774,780	
JUNE	72	1,413,890	
JULY	74	1,210,010	
AUGUST	74	1,114,730	
SEPTEMBER	76	833,550	
OCTOBER	75	1,081,920	
NOVEMBER	76	788,650	
DECEMBER	73	474,280	
TOTAL		N/A	

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☐ Yes ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. .022 mg/l
(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME ASH CREEK WATER COMPANY YEAR ENDING 12/31/2004

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 2241.24

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME ASH CREEK WATER COMPANY YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 7,909.65
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 7,909.65
Estimated or Actual State Tax Liability 0

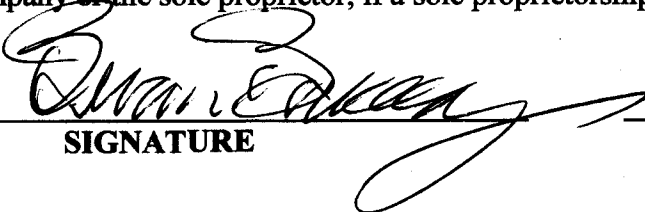
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE DATE

PRINTED NAME TITLE

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED

APR 18 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) GRAHAM	
NAME (OWNER OR OFFICIAL) BEVAN BARNEY	TITLE INTERIM MANAGER
COMPANY NAME ASH CREEK WATER CO	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$38,390.09

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 2,063.85
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Bevan Barney, Interim Mgr
SIGNATURE OF OWNER OR OFFICIAL

928-428-5420
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14th

DAY OF

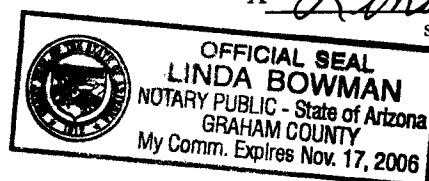
NOTARY PUBLIC NAME <i>Linda Bowman</i>	
COUNTY NAME <i>GRAHAM</i>	
MONTH <i>April</i>	YEAR <i>2005</i>

(SEAL)

MY COMMISSION EXPIRES

11-17-06

X *Linda Bowman*
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 1 8 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	GRAHAM
NAME (OWNER OR OFFICIAL) TITLE	BEVAN BARNEY, INTERIM MANAGER
COMPANY NAME	ASH CREEK WATER CO

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

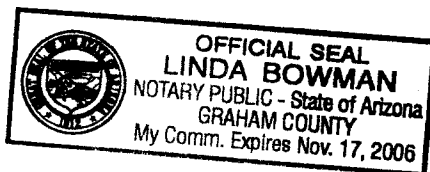
HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 38,390.09



(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2,063.85
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Bevan Barney, Interim Mgr
SIGNATURE OF OWNER OR OFFICIAL
928-428-5470
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14th

DAY OF

(SEAL)

COUNTY NAME	<u>GRAHAM</u>
MONTH	<u>April</u>
	<u>2005</u>

Linda Bowman
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 11-17-06

Bank of America



AS I CREEK WATER CO., LLC
P.O. BOX 825
THATCHER, AZ 85532
928-428-5420

1002

PAY TO THE ORDER OF Graham Co. Treasurer DATE 6-14-04 \$ 1,456.45
One thousand four hundred fifty six & 45/100 DOLLARS @
Bank of America
ACH RT 122101706
FOR 2003 - inv. 934-40-680 Regina Denny
⑈00⑆002⑈ ⑆⑆⑆22⑆0⑆706⑆ 00468042237⑈ ⑈0000145645⑈

ENC 1

APR 14 2005
BANK OF AMERICA
122101706
412721878

0012 27228

FOR DEPOSIT ONLY
BANK OF AMERICA, AZ
122101706
GRANITE COUNTY TREASURER
SAFFORD, AZ 85548
412721878

Capture Date: 20040615 Sequence #: 3250922734

Bank of America



ASH CREEK WATER CO., LLC		1057	
P.O. BOX 825 THATCHER, AZ 85532 928-428-6420		31-178/1221 AZ 214	
PAY TO THE ORDER OF	<i>John Reynolds, Graham Co Treasurer</i>	DATE	<i>10-4-04</i>
<i>Five Hundred Fifty Five & 82/100</i>		\$	<i>565.82</i>
Bank of America		DOLLARS	
ACH R/T 123101708			
FOR	<i>12 1/2 prop. tax Acct # 14524</i>	<i>Robert L. Barney</i>	
001057		*122101706*	*004680427371*
		0000056582	

Capture Date: 20041008 Sequence #: 3250438368